EXECUTE SUCCESS℠

CBOE Research Circular #RS13-040

Date: **January 29, 2013**

To: Permit Holders
From: Scott Speer
RE: YM BioSciences Inc. ("YMI") Proposed Plan of Arrangement with Gilead Sciences, Inc. ("GILD")

Shareholders of YM BioSciences Inc. ("YMI") will vote on Thursday, January 31, 2013, to approve a proposed Plan of Arrangement between YMI and 3268218 Nova Scotia Limited, a wholly-owned subsidiary of Gilead Sciences, Inc. ("GILD"). Pursuant to the terms of the Plan of Arrangement, each share of YMI Common Stock outstanding immediately prior to the consummation of the Plan of Arrangement will be converted into the right to receive **$2.95 cash**, without interest, per YMI share. The Plan of Arrangement is expected to become effective in the first quarter of 2013.

THE FOREGOING IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE PLAN OF ARRANGEMENT, PREPARED BY CBOE FOR THE CONVENIENCE OF ITS PERMIT HOLDERS. CBOE ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. PERMIT HOLDERS SHOULD REFER TO THE YM BIOSCIENCES INC. MANAGEMENT PROXY CIRCULAR DATED DECEMBER 31, 2012, FOR THE AUTHORITATIVE DESCRIPTION OF THE PLAN OF ARRANGEMENT AND ALL OF ITS TERMS AND CONDITIONS.

Contract Adjustment

Pursuant to Article VI, Section 11 and 11A of The Options Clearing Corporation's By-Laws, all outstanding YMI options shall be adjusted as follows. On the business day immediately following the Effective Time of the Plan of Arrangement each YM BioSciences Inc. contract will be adjusted to require, upon exercise, the per-contract delivery or receipt of **$295.00 in cash.** Strike prices will remain the same, and the option symbol will remain **YMI**. [Any FLEX series that may exist will be adjusted in a similar manner to the standardized option.]

Please be aware that trading in the adjusted YMI options will be suspended as of the date on which the option contract is adjusted. There will be no restrictions on the exercise of the adjusted YMI options.

Acceleration of Expirations

Pursuant to OCC Rule 807, equity stock option contracts whose deliverables are adjusted to call for cash-only delivery will be subject to an acceleration of the expiration dates for outstanding option series.

Questions regarding this memo can be addressed to Options Industry Services at 1-888-OPTIONS (1-888-678-4667). CBOE contract adjustment memos can also be accessed from CBOE.com at the following web address:

http://www.cboe.com/ContractAdjustments